

**CHAPTER NO. 339**

**SENATE BILL NO. 459**

**By Rochelle**

**Substituted for: House Bill No. 876**

**By Kisber**

AN ACT To amend Tennessee Code Annotated, Title 5; Title 6 and Section 7-53-305, relative to cost versus benefit studies for payments in lieu of taxes and to limiting time payments in lieu of taxes may be waived or otherwise not be assessed.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-53-305(b), is amended by inserting the following after the end of the first sentence:

The corporation shall attach to each agreement an analysis of the costs and benefits of the agreement, in such manner and under such conditions as shall be prescribed by the Commissioner of Economic and Community Development or the commissioner's designee.

SECTION 2. Tennessee Code Annotated, Section 7-53-305(b), is further amended by inserting in the first sentence after the language "as defined in this section" the following:

; provided further, no contract, lease, understanding, or other agreement of any kind, including any renewal or extension thereof, entered into by a municipality or corporation to which such authority has been delegated shall permit payment in lieu of taxes to be waived or otherwise not assessed for a period of greater than twenty (20) years from the date of such contract, lease, understanding or other agreement unless both the Commissioner of Economic and Community Development and the comptroller have made a written determination that such agreement is in the best interest of the state.

SECTION 3. Nothing in this act shall apply to any agreement finalized prior to January 1, 2002.

SECTION 4. This act shall take effect on becoming a law, the public welfare requiring it.

**PASSED: May 23, 2001**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 5<sup>th</sup> day of June 2001**

  
DON SUNDQUIST, GOVERNOR